

Supervisor's Response to Constituent's Supporting Full Funding for FCPS FY2003 Budget

April 29, 2002

Dear Fellow Citizen:

Thank you for contacting me about the FY2003 Budget and expressing your support for funding the full FCPS budget request by the School Board, including an increase of \$138 million over last year's transfer, **a 12.8% increase**.

This budget was among the most challenging in recent years because the \$162.1 million in new county revenue comes almost entirely from increases in residential real estate assessments. It is the responsibility of the Board of Supervisors to balance the request of the School Board with the legitimate need to fund other county services and to address requests from taxpayers for relief from a third year of double digit tax increases. Fully funding the School Board's budget would have left \$24 million to fund increases in all other county programs.

Following the events of September 11, Fairfax County faced unanticipated and unreimbursed overtime for public safety alone of \$5.14 million. There was a need to equip and staff the first new police station in 20 years (\$5.9m), and \$4 million was required to staff new School Age Child Care (SACC) centers. Over \$12 million must be transferred to meet our commitment to Metro, and an additional \$1.1 million is required to fund the Fairfax Connector bus service. Over \$1.3 million is required to assist new special education graduates of FCPS with vocational, transportation and other special services. The stormwater management budget must be increased by \$2.4 million to meet federal and state mandates, including those for the Chesapeake Bay. The county must pay for an anticipated \$2 million in repairs to trails, sidewalks and unsafe intersections. As the county, like its schools, becomes increasingly diverse, there are legitimate health and human service needs to be funded. Our population is also aging, especially in Dranesville, and we must put programs in place to assure that our frail elders can remain independent in their homes. We need to spray for gypsy moths, prevent West Nile virus, inspect our restaurants and pick up our trash. Health premiums for county employees rose \$4.4 million in one year, and money is also owed to the retirement system. Operating Fairfax County costs money (in fact, more money than several states), and it is never less money than the year before. Our citizens may first be attracted to our school system, but they expect myriad other services once they arrive.

Nevertheless, **our schools are always our highest priority** and the Board voted to increase the FCPS operating budget by \$87.94 million over last year and to forgive another \$5.7 million in debt service which the schools can now use for operating costs. This **will provide FCPS with a net operating transfer of \$1,167,861,717, an increase of over \$93 million or 8.67%**. In addition, the Board voted to pay \$110.3 million in debt service for school construction. The percentage of the county budget going to FCPS is 52.5%, the highest level in 20 years. The county also provides \$46.7 million in additional support to FCPS for School Age Child Care (SACC), school nurses and clinic room aides, crossing guards, School Resource Officers at all middle and high schools, and athletic field maintenance.

The Board of Supervisors has **never** reduced the school transfer from one year to the next. Instead, for the last few years, it has been faced with the need to respond to an ever-expanding array of programs which the School Board wishes to fund. **Fairfax County simply cannot sustain requests for over 10% annual growth in the school budget when the number of new students increases only 2-3% per year.** Also, if the number of students in the FCPS system was divided by the number of teachers, the pupil/teacher ratio would be approximately 12:1. Even allowing for reduced ratios for special education programs, this ratio would be approximately 14:1. At the same time, the "regular kids" in Fairfax County are in classrooms where they count themselves lucky to sit with only 25 fellow students. This year alone, the Superintendent proposed to fund \$9.6 million in program expansions despite a serious economic downturn. The budget increase for SOL remediation and summer school is \$19 million. The Board of Supervisors was also asked to make up the loss of \$46 million in State reductions (although even this deficit has now been reduced). It is imperative that the School Board undertake a comprehensive cost/benefit analysis of all of its programs, similar to that undertaken

by the Board of Supervisors on the county side, with the stated goal of reducing class size without increasing the cost of education.

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Finally, this Board was asked by the Superintendent and the School Board to transfer its managed reserve of \$44 million and its revenue stabilization fund of \$28 million to FCPS to cover its purported deficit. It has taken the county years of fiscal restraint to set aside this amount, which represents just 5% of the total budget. The Board has been advised that this is the minimum balance that lenders consider prudent to maintain the county's AAA bond rating. This rating allows Fairfax County to borrow at the lowest commercial rate, and has saved Fairfax County over \$162 million since the rating was obtained. At this crucial juncture, when annual bond sales for FCPS exceed \$136 million, it is the schools themselves that would suffer if the Board took this foolhardy step.

I appreciate your interest in the county budget and in the county transfer to FCPS as a part of the annual budget process. I invite you to become a student of both the county and the school budget and to work with me to make the difficult choices that face us as a community. I believe that once you examine the School Board's budget, you will conclude, as I have, that the inflated figures presented in that budget have created a misperception of school needs and have resulted in a lack of credibility for that budget. While the Board of Supervisors does not have authority for line item review of the School Board's budget, I believe that **the FY2003 school budget can be balanced without most of the threatened program reductions and possibly without any. Specific suggestions for reductions in the School Board's budget that avoid program reductions are included in an attachment to this letter.** These proposed budget reductions, developed during a brief review of the school budget, more than offset the deficit identified by the School Board and even allow the School Board to start reducing class size immediately. A more thorough review by the School Board can go further.

Thank you for taking the time to contact me on this important issue. As the parent of two daughters in our school system and a former Vice Chair of the Fairfax County School Board, I am every bit as concerned as each of you that our schools retain a world class reputation. Let's work together to make sure this happens.

Sincerely,

Stu Mendelsohn

Stuart Mendelsohn

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Attachment: Cost Saving Ideas to Eliminate Program Reductions in the FCPS budget

Cost Saving Ideas to Eliminate Program Reductions in the FCPS Budget

Original FCPS Total Deficit (from County Transfer @6.46% per BOS guidelines for revenue distribution):		(\$68.3 m)
Potential Net Revenue Loss from Projected General Assembly Actions:		(\$10.0m)
(Net Deficit shown in School Board Advertised Budget of 2/7/02):		(\$78.3m)
Additional Impacts of General Assembly Actions:		
Net Additional Revenue Loss	(\$3.6m)	
Net Expenditure Savings	\$10.6m	
		(\$71.7m)
County Executive Proposed transfer increase @7.07% (2/25/02):	\$6.6m	
		(\$64.7m)
BOS Adopted 4/29/02:		
Eliminate Debt Service Payment	\$5.7m	
Increase County Transfer @8.14%	\$11.6m	
Revised Total Deficit (amount schools must cut to reconcile FCPS budget request with County Transfer)		(\$47.4m)

Ideas for Reductions:

Eliminate FCPS "Flexibility Reserve" (currently at \$8m with \$1m new in FY02)	\$9.0m
Eliminate Program Expansions:	\$9.6m
Project Excel: \$6.7m	
Success by Eight: \$0.8m	
Modified Calendar: \$0.1	
Student Accountability: \$2.0	
Review utilities, salary lapse (example FY02 salary lapse figure is \$2.1% or \$26.4m; FY 03 lapse is 1.7% or \$22.6m; (approximately)	\$5.0m
Recognize additional federal/state revenue (approximately)	\$1.1m
Federal impact aid, IDEA (FCPS estimated \$0.7m below FY02 levels but State funded an additional \$26m; FCPS will get some increase)	
Salary Placeholder	\$1.4m
This account is for "employee awards, reclassifications, and a placeholder for salary enhancements	
Defer new math textbook purchase	\$5.0m
Eliminate Time Out Rooms	\$0.6m
Eliminate payment for student IB and AP tests	\$1.3m
Reduce SOL funding (remediation, summer school, after school) (Budgeted at \$19 million)	\$3.0m
Defer ERFC retirement rate increase	\$2.6m
Administrative Departmental cuts (80 positions)	\$4.0m
Reduce funding for building maintenance	\$3.0m
Reduce staff development funding	\$1.0m
Eliminate teacher recruitment bonuses	\$0.5m
Eliminate technology equipment replacement	\$1.3m
Reduce funding for transportation/buses	\$1.0m
Reduce support for Adult and Community Education	\$0.5m
Reduce anticipated number of new students by 600 at \$9,641* per child (reflects minimum average difference between approved estimates and actual students FY99-FY02)	\$5.7m*
Total Reductions	\$55.6m*

* Amount of reduction will be higher if some of the students whose numbers are overestimated are special education students as expected.